DEPARTMENT OF COMMUNITY HEALTH / OFFICE OF INSPECTOR GENERAL (DCH IG)

Who Are We?

- The DCH IG audits and investigates Medicaid providers and Medicaid beneficiaries suspected of misusing Michigan's Medicaid program. The DCH IG works to ensure that Medicaid money spent is used for the best care of the beneficiaries.

Fraud, Waste, and Abuse

- Fraud – *Intentional* deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State law. 42CFR§455.2
- Abuse – Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes beneficiary practices that result in unnecessary cost to the Medicaid program. 42CFR§455.2
- Waste – Spending that can be eliminated without reducing the quality of care. (NEHI)

DCH IG Functions

- Conducting and supervising activities to prevent, detect and investigate Medicaid fraud, waste and abuse.
- Receiving and investigating complaints of Medicaid alleged fraud, waste and abuse from individuals, beneficiaries, providers and other government and state law enforcement and regulatory agencies.
- Provider Audits
- Data Mining Activities to aid in determination of fraud waste and abuse.
- Perform Data Runs and function as a resource for the Attorney General's Office

DCH IG Functions
Continued

- Managed Care Site Visits-to determine compliance and contractual requirements relating to fraud and abuse.
- Contract Management
  - Hospital Audits & Utilization Review
  - Pharmacy Audits
- Alleged Health Care Fraud Referrals to the Attorney General Office, Office of the Inspector General, Other Regulatory or Law Enforcement Agencies

Examples of Medicaid Fraud & Abuse committed by Providers

- Billing for medical services not actually performed
- Providing unnecessary services
- Billing for more expensive services than what were provided
- Billing more than once for the same medical service
- Dispensing generic drugs but billing for brand-name drugs to Medicaid
- Kickbacks – accepting something of value in return for medical services
- Billing for services separately that should legitimately be a combination/packaged code
- Fraudulent Prescriptions

Examples of Medicaid Fraud & Abuse committed by Beneficiaries/Individuals

When someone :

- Lies about their assets/income to obtain eligibility
- Lies about their medical condition
- Forges prescriptions
- Sells their prescription drugs to others
- Loans their Medicaid card to others

DCH IG

Complaints/
Referrals
•Phone
•E-mail
•Mail
•Web

SURS
Profile
Episodes of Care
Spike

Preliminary Analysis

Data mining
Activities
*Recurring queries
*Ad Hoc

EOB
*Recurring standard
*Targeted

Potential Outcomes:

Initiate Audit

Initiate gross adjustment process
(Recover overpayments)

Provider self-review

Referrals to:

*Other law enforcement agencies

*Bureau of Health Professions

*CMS

*BMP

*HCFD

*Managed care

Where & How Do I Report An Alleged Fraud Complaint

- DCH Office of Inspector General
  - Phone numbers:
    - 1-866-428-0005 – toll free
      1-855-MI-FRAUD - (1-855-643-7283)-toll free
    - 1-517-335-5239
- Send a letter to:
  P.O. Box 30479
  Lansing, MI 48909
- Submit an Online Complaint Form at:
  www.michigan.gov/fraud
  Click on *Submit an online complaint form*